

**Redevelopment Authority Minutes
Meeting of November 28, 2012**

City Hall, Council Chambers

7:30 a.m.

Members Present: Messrs. Halloin, Barr, Von Haden, Van Gompel, Ms. Wildenberg

Members Absent: Messrs. DeRosa, Green

Staff Present: Messrs. Schatz, Mmes. Mishefske, Noland, Kuba, McGee

1. **Call to Order.**

The meeting was called to order by Mr. Barr at 7:30 a.m.

2. **Minutes.**

The minutes of the October 17, 2012 meeting were approved on a motion by Mr. Halloin, seconded by Ms. Wildenberg.

3. **Financial Statements.**

Ms. Kuba presented the financial statement dated October 31, 2012. Operating expenses included \$60 for postage and \$11 for copy charges, for a total of \$71. Capital expenses totaled \$1,027, including \$909 for an asbestos inspection at 28 Maple Street, as well as \$118 for utilities at 28 Maple Street.

Mr. Von Haden made a motion to accept the financial statements, seconded by Ms. Wildenberg, and the motion carried.

4. **Update on 2013 available funding and potential acquisitions.**

Ms. Kuba presented the RDA funding and potential acquisitions. There will be about \$1.4 million available for acquisitions for 2013 and there is \$104,500 in committed funding. Staff proposes the acquisition of the post office, two Evans properties and Bartingale's in 2013, which would leave about \$65,000 available for contingencies items. Mr. Schatz stated that Bartingale's has a meeting next week and if they are not able to move forward in 2013, we would purchase the other Evans property instead. Mr. Halloin asked if this was part of the City's plan and if we are only seeking people that show interest in selling to the City. Mr. Schatz confirmed and added that the City is also trying to purchase waterfront properties.

5. **Consideration of a proposal from John Mogensen to purchase Block 7 on N. Barstow Street.**

Mr. Mogensen presented his proposal for the purchase and development of Block 7 on N. Barstow Street. He would like to begin testing the soil immediately and filling in for the flood plain. He does not have a tenant at this time for the building, but his company has been talking with the post office. An additional building could be added in the future also at 15,000 sq. ft. per floor, for a total

of 45,000 sq. ft. His proposal assumes that the City would eventually bring Galloway Street through to Hobart.

Mr. Barr asked what the plan was for the second and third stories of the initial building. Mr. Mogensen commented that they could be either office space or apartments. If apartments, they would be 1-2 bedrooms for approximately 80 people.

The tax base for the proposal would be \$4 million within 5 years or Mr. Mogensen would pay the difference. Mr. Mogensen commented that regardless of the RDA's decision on the proposal, he would like access to the site to do soil testing and would like to fill the lot to raise the flood plain.

Mr. Halloin asked about Galloway Street and if a retaining wall is necessary. Mr. Mogensen commented that once the post office is down, the City will raise the street and open it up. He may need a retaining wall on that side until then. He would only be filling the lot for the building to be out of the flood plain. This process can take 4-5 months through FEMA once it is filled.

6. Consideration of granting an option to purchase to JAMF Software for Block 7 on N. Barstow Street.

Three representatives of JAMF Software, Jason Wudi, Julia Johnson, and founder Zach Halmstad, presented their proposal for an option to purchase Block 7 on N. Barstow Street. They have met with several developers and would like some time to consider their options.

Mr. Barr asked how many square feet they currently occupy. Ms. Johnson replied that they have about 12,000 square feet that houses about 80 employees. They would like at least 30,000 square feet to start, and plan to double in the next five years. They are also asking developers for additional space to grow into 45,000 square feet or more.

Mr. Von Haden inquired about the number of employees. They currently have 160 employees, with 80 of them in Eau Claire. They are adding 4-5 per month in Eau Claire in the next year and plan to add about 110 to the organization, 45 of which would be in Eau Claire. Mr. Von Haden asked if they plan to fully occupy the building. JAMF is open to a multi-tenant situation as long as they have first floor access.

Mr. Schatz commented that JAMF is a high-growth company that likes to live and work in downtown. Mr. Halloin asked for more background information on the company. Mr. Halmstad shared the story of how and when JAMF was started and added that downtown is where they really want to be. Thirty-five percent of their employees in Eau Claire are graduates from UWEC and they hire 18-20 interns each year, 50% of which they hire on permanently afterwards. Many key employees call Eau Claire home and this is where they want to see their business grow.

Mr. Halloin asked if they would like to own the building. JAMF commented that they would like to partner with a developer and would rather lease, but ownership would not be out of the question.

Mr. Barr asked if there were any public comments before moving into closed session. There were none. Mr. Van Gompel made a motion to move into closed session, seconded by Ms. Wildenberg, and the motion passed.

CLOSED SESSION

Mr. Van Gompel made a motion to move into open session, seconded by Mr. Von Haden, and the motion passed.

OPEN SESSION

7. **Motion to approve an economic development proposal from John Mogensen for Block 7 in the North Barstow Redevelopment District.**

Mr. Van Gompel made a motion to table the proposal from John Mogensen for Block 7 until the February 20, 2013 meeting of the RDA, seconded by Mr. Halloin. This motion was made to give the parties more time to discuss and clarify plans. Any party, including Mr. Mogensen, can have access to the soil for testing.

The motion passed.

8. **Motion to approve an exclusive right to negotiate an option to purchase Block 7 in the North Barstow Redevelopment District with JAMF Software.**

Mr. Halloin made a motion to table the option to purchase Block 7 with JAMF Software until the February 20, 2013 meeting of the RDA, to allow time to meet with and select a developer, with the understanding that they will have their chosen developer with them at the meeting in February, seconded by Mr. Van Gompel. Mr. Halloin added that the RDA encourages City staff to look into filling the flood plain in the meantime in order to speed up the timeline for any developer.

9. **Motion to approve the purchase of the Post Office from the Gateway Industrial Park Corporation.**

Mr. Halloin recused himself from the discussion and vote as he works for Landmark Company that is the managing firm of Gateway. Mr. Halloin left the room.

Ms. Wildenberg approved the purchase of the Post Office from the Gateway Industrial Park Corporation at the purchase price of \$350,000, seconded by Mr. Von Haden. The motion passes.

Mr. Halloin re-entered the room.

10. **ADDENDUM - Motion to extend the occupancy period for Jerry and Kathleen Evans through December 31, 2012 for the property located at 10 Maple Street in the West Bank Redevelopment District.**

Mr. Halloin made a motion to extend the occupancy period for Jerry and Kathleen Evans through December 31, 2012 for the property located at 10 Maple Street in the West Bank Redevelopment District with the condition that they are no further extensions and rent is paid at the higher rate of an additional \$25 per day. The motion was seconded by Mr. Von Haden, and the motion passes.

11. **Announcements, Directions, and Correspondence.**

None.

The meeting was adjourned by Mr. Barr at 8:55.

Jeff Halloin, Secretary